

LAW OFFICE
THOMAS F. MCFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. MCFARLAND

September 12, 2006

By e-file

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

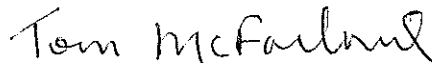
Re: Docket No. 42080, *Minnesota Northern Railroad, Inc. v. Canadian National Railway Company*

Dear Mr. Williams:

This is a Status Report by Minnesota Northern Railroad, Inc. (MNN) in response to the Board's decision served August 10, 2006. The Board is respectfully requested to accept this Report one day out of time.

MNN attempted to negotiate with CN regarding interchange at Warroad, MN. While that attempt has not yet been successful, MNN urges the Board to retain jurisdiction over this matter for a reasonable additional period of time (MNN suggests an additional two-year period). MNN makes that suggestion because it has submitted a settlement proposal to CN that remains open. It may be that traffic conditions will change in the near future such that CN will respond favorably to that proposal. The pendency of this proceeding may stimulate CN's response in that respect.

Very truly yours,



Thomas F. McFarland
*Attorney for Minnesota Northern
Railroad, Inc.*

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cc: Thomas J. Litwiler, Esq.)
Theodore Kalick, Esq.) *by e-mail*
Mr. George LaPray)